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# Speeches and Major Press Releases

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# Speeches

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**Excerpts of remarks prepared for delivery by Dr. Anson R. Bertrand, Director, Science and Education, U.S. Department of Agriculture, before the National Aglime Conference, Nashville, Tennessee, October 16, 1980**

## **THE FUTURE OF LIMESTONE IN AGRICULTURE**

If the 1970's were the years of oil, the 1980's definitely can be the years of agriculture.

And, unlike oil, agriculture is an area where we are the leaders--and in these years and in this leadership, limestone, your product, can play a significant role, a role that not only will fill a moral need by bringing food to the hungry but will also enhance the stature of this nation and mean profits to you.

What is at stake for agriculture?

Let's look at some of the figures. America's population of considerably more than 200 million people is fed by only the 1.6 percent of them who work on the farms. That indicates a system which, overall, has to be considered highly efficient.

But that's only the beginning.

Exports of farm products will reach 162 million tons, a total of \$40 billion, this year. In the balance of payments, the agriculture surplus is about \$22 billion. With that surplus, we buy products we need from abroad or help counter the deficit caused by the soaring price of oil.

For the future, the 1980's, the figures look better. That \$40 billion I mentioned a moment ago is \$8 billion more than the previous year, and the prospects are that it will continue upward. In our trade we deal with many nations which do not yet have the expertise to go much beyond subsistence farming. These nations wish to industrialize, to modernize. But for them to take people from the farms and send them to schools, to train them, to have them work in factories and in the cities means that these nations must buy food from us.

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Like other growth industries, agriculture has its problems. The productivity of the land must not only be maintained but also increased, and that must be done against the realization that our resources are not infinite.

In this country we have serious problems of soil erosion. In some corn belt fields, for example, we lose five bushels of topsoil for every bushel of corn we produce. Nationwide, for each acre farmed every year, we lose an average of nine tons of topsoil.

We also have problems with soaring fertilizer costs due to the petroleum requirements for fertilizer manufacture, and also with the growing acidity in our soils--just to list a few.

Limestone and the greater reliance upon biological nitrogen fixation can do much to counter these problems.

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Recent statistics show a need for limestone for agriculture purposes of 95 million tons a year but only 31 million tons actually used.

Here are some specific examples. In Georgia, 1.3 million tons of limestone were used; another million tons were needed. In Indiana, 3 million tons were needed over what was used. And in Texas only 240,000 tons were used; the measured need was more than ten times that.

Even those figures are deceptive. Those 31 million tons sold nationally represent only 4.2 percent of all limestone used in the United States in 1978. Simple arithmetic indicates that if limestone had really hit its market, agriculture usage would have amounted to 12.6 percent of all limestone manufactured.

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The need for more limestone in agriculture comes at time when the prospect for limestone in its principal use, highway construction, is dimming. Because of a downturn in the use of automobiles due to OPEC and because of a tightening of expenditures at all levels of government, highway construction is anticipated to level off, at least. Let's be blunt. That means you must exploit new markets.

The agriculture market is waiting to be developed.

How does limestone affect agriculture?

It does this in several ways.

Liming--that is, adding lime to the soil--can increase crop production by enhancing the availability of the essential plant nutrients and by improving soil structure. In an Arkansas program, adding four tons of limestone to an acre increased the soybean production from 22 to 30 bushels. In a program in Kansas, lime combined with a varied fertilizer program and a crop rotation program increased the production of wheat from 25 to 68 bushels per acre.

Although those figures are as good as they sound, they are not startling to persons with backgrounds in agriculture. The fact that lime enhances farm productivity has been known for thousands of years.

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The very process of growing crops can increase a soil's acidity by removing basic nutrients.

In more recent years there has been recognized a new cause of soil acidity. This is the development of acid rain, the depositing of acidity on the earth through precipitation.

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Already we know that acid rain in North America, once primarily a problem for the eastern part of the United States, has spread to the south, west, and north. And what is happening in the United States is also happening throughout the world.

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As you can see, there is a problem, and limestone holds an important answer. But more is required of you than only to grind limestone. Your product must be tailored to the needs of the farmer and the manager of water resources.

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You must learn to confront old attitudes about limestone. Agriculture limestone is not a sideline, an item marketed as an after-thought, as it has so often been in the past--or, at least, it should not be. Your marketing must be aggressive and your distribution comprehensive.

Let us remember that agriculture is basic, we can survive without television sets, even with a reduced supply of oil; but we cannot survive without food. Nor can our greatness as a nation continue without food surpluses.

Let us also remember that because we have achieved in the past in agriculture, we cannot assume that we will so achieve in the future. We will do that only if we adapt to our new problems. The history of the world is spotted with the accounts of many great nations and empires which once led the world but dropped into insignificance and poverty, primarily because their ability to produce food declined.

To use an old business metaphor, you are in on the ground floor of a great opportunity. You have a product that is going to be needed increasingly in agriculture. By taking advantage of that opportunity, you will help assure that the world's hungry will be fed, that your nation will remain strong--while also benefiting yourselves.

Not often do we have such a choice.

Thank you.

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# Press Releases

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## **FEDERAL LOAN GUARANTEES TO FINANCE 15 FUEL ALCOHOL PLANTS**

WASHINGTON, Oct. 10--Federal financial guarantees have been approved for 15 new plants in 14 states to help launch the United States on a substantial program for fuel alcohol production, Secretary of Agriculture Bob Bergland said today.

"These projects," Bergland said, "will produce more than half of the national production goal set by President Carter in his message of Jan. 11, 1980. At that time, the president set a goal of 500 million gallons of alcohol and methane production by the end of 1981 as a supplement and alternative to petroleum fuels."

Bergland said \$341.6 million of loans by banks and other private financial institutions will be guaranteed by the Farmers Home Administration for building plants to produce an estimated 246 million gallons of ethanol per year.

FmHA, the rural credit agency of the U.S. Department of Agriculture, will guarantee the loans under its authority to support business and industrial development in rural areas, said Bergland. The agency previously approved \$36,209,470 of loan guarantees for 14 other plants with ethanol production capacity totaling approximately 18 million gallons per year.

"The projects announced today," Bergland said, "combined with those previously approved, far exceed the \$100 million goal set when the USDA agency opened its rural business and industrial program to fuel alcohol plant projects last January. Projects approved by the agency account for about 264 million gallons, or more than one half of the 500-million gallon production goal set by the President. When he announced his target in January, annual fuel alcohol production was about 80 million gallons nationally."

Use of the USDA loan guarantee authority gave the nation a thrust forward on fuel alcohol development, pending passage of special synfuels legislation which was enacted and signed by the president last June, Bergland said.



Under the synfuels program, USDA will administer a \$525 million loan program for building biomass energy production facilities, including fuel alcohol plants of up to 15 million-gallon annual production capacity. Most larger plants developed under the synfuels program will obtain federal financing through the U.S. Department of Energy.

The 15 projects announced today involve about \$482 million of plant construction costs, of which about 80 percent will be financed through USDA-guaranteed loans. A business and industrial loan guarantee covers up to 90 percent of any net loss a lender might incur, Bergland said.

Most of the plants will use corn as a feedstock, although some will use other grains and other commodities such as molasses and potatoes. If all used corn, the total annual consumption would amount to more than 110 million bushels, he said.

The alcohol production would replace approximately 6.3 million barrels of oil a year for use as motor fuel. Most of the plants will use coal or wood products for boiler fuel.

USDA has approved plans for the projects submitted by developers subject to acceptance by lenders and borrowers of conditions imposed to meet the requirements. The loan guarantees to be issued by the agency will be put into effect only after construction of the alcohol fuel plants has been completed.

Most projects will be in operation by the end of 1981, Bergland said.

The projects, loan amounts to be guaranteed and plant production capacity, are:

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|---------|----------------------------------------------------------------------------------------------------------------------------------------------|
| FLORIDA | — Florida Ethanol, Inc., \$10,000,000, plant of 5,000,000,-gal. annual capacity at Mayo (Lafayette County) using corn or milo as feedstock.  |
| GEORGIA | — Southeast Energy Group, Ltd., \$19,000,000; plant at St. Marys (Camden County) of 10,000,000-gal. annual capacity using corn as feedstock. |
| IDAHO   | — Power Alcohol, Inc., \$8,700,000; plant of 5,000,000-gal. annual capacity at Blackfoot (Bingham County) using barley, potatoes             |

- and wheat as feedstock.
- ILLINOIS — Ethanol Motor Fuel Associates, \$20,000,000; plant at Waterman (De Kalb County) of 14,300,000-gal. annual capacity using corn as feedstock.
- IOWA — Consolidated Energy Group, Ltd., \$25,157,000; plant at Gowrie (Webster County) of 10,000,000-gal. annual capacity using corn as feedstock.
- The Agrifuel Corp., \$5,600,000; plant at Esterville (Emmet County) of 5,400,000-gal. annual capacity using corn as feedstock.
- KENTUCKY — Kentucky Agricultural Energy Co., \$35,200,000; plant at Franklin Simpson County) of 21,000,000-gal. annual capacity using corn as feedstock.
- LOUISIANA — Goodwill Agri-Fuels, Inc., \$4,220,000; plant at Goodwill (West Carroll Parish) of 3,300,000-gal. annual capacity using grain sorghum and corn as feedstock.
- MICHIGAN — Enerhol Limited, \$19,000,000; plant at Marysville (St. Clair County) of 10,000,000-gal. annual capacity using corn as feedstock.
- MINNESOTA — Agri-Energy, Inc., \$6,300,000; plant at Crookston (Polk County) of 4,000,000-gal. annual capacity using barley and wheat as feedstock.
- MONTANA — Montana Agri Processors, Inc., \$2,150,000; plant at Glasgow (Valley County) of 1,000,000-gal. annual capacity using barley as feedstock.

N. CAROLINA	— Continental Alcohol Fuels Corp., \$50,000,000; plant at Selma (Johnston County) of 25,000,000-gal. annual capacity using corn as feedstock.
OHIO	— South Point Gasohol. Inc., \$32,000,000; plant at South Point (Lawrence County) of 60,000,000-gal. annual capacity using corn as feedstock.
TENNESSEE	— Tiger Tail Distillery, Inc., \$66,850,000; plant at Dyersburg (Dyer County) of 50,000,000-gal. annual capacity using corn, milo and wheat as feedstock.
TEXAS	— Mapco Alcohol Fuel, Inc., \$37,266,000; plant at Cactus (Moore County) of 22,000,000-gal. annual capacity using milo as as feedstock.

Loan guarantees and amounts previously approved by USDA follow:

ALABAMA	— Alsynol, Inc., \$6,900,000.
ARKANSAS	— Gasohol One, Inc., \$1,000,000.
	— E. J. McGuire, \$7,017,470.
	— Big D & W Refining & Solvents Co., Inc., \$3,000,000.
GEORGIA	— Syncorp, Inc., \$2,250,000.
IDAHO	— Idahol Fuels, \$475,000.
IOWA	— Farm-Fuel Products Corporation, \$3,800,000.
KENTUCKY	— Bardstown Fuel Alcohol Company, \$2,500,000.
MICHIGAN	— Michigan Agri-Fuels, Inc., \$2,905,000.
NEBRASKA	— Boucher Rural Products, \$280,000.
	— Agri-Hol, Inc., \$4,480,000.
S. CAROLINA	— Carolina Alcohol Corporation, \$352,000.
S. DAKOTA	— Coburn Enterprises, Inc., \$757,000.
	— SEPCO. Inc., \$500,000.
TOTAL	— \$36,209,470

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# Press Releases

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## **USDA TO ISSUE WORLD AGRICULTURAL SUPPLY AND DEMAND REPORT**

WASHINGTON, Oct. 10--Beginning Oct. 14, the U.S. Department of Agriculture will expand its monthly U.S. agricultural supply and demand estimates report to include forecasts of foreign supply and utilization for grains, oilseeds, and cotton, according to Susan Sechler, USDA's deputy director for economics, policy analysis and budget.

She said the report--world agricultural supply and demand estimates--will be prepared under strict security to prevent any premature release of information that could affect commodity markets.

Sechler said, "This report marks another important step in improving the timeliness and usefulness of USDA's forecasting work. By expanding U.S. supply and demand report to a global level, we will better serve the nation's agricultural interests with the most timely, reliable and comprehensive data available."

She said USDA long has had the regional and commodity expertise to develop specific estimates of foreign use and supply of agricultural commodities. This expertise will make expanded supply and utilization forecasts for major crops around the world available in a single report for the first time, she said.

The global report normally will be issued on or about the 11th of each month, at 3 p.m. on the first work day following release of the world and U.S. crop production reports, Sechler said. USDA will issue special editions whenever extraordinary developments warrant, she said.

Sechler said the global report will give estimates of production, consumption, stocks, and trade for total grains, wheat, coarse grains, rice, oilseeds, and cotton, with totals for the world, the United States, the major exporters and the major importers. The estimates will cover the forecast year and the two previous years, she said. Detailed country and regional, trade, and historical estimates will continue to be available in the commodity circulars issued by USDA's Foreign Agricultural Service and situation reports issued by USDA's Economics and Statistics Service.

Current subscribers to agricultural supply and demand estimates will automatically receive the global report. Subscriptions may be requested from ESS Publications, room 0054-South, USDA, Washington, D.C., 20250.

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# Press Releases

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## **\$3.8 MILLION AWARDED FOR PLANT BIOLOGY, HUMAN NUTRITION RESEARCH**

WASHINGTON, Oct. 15--Forty-seven competitive research grants totaling \$3.8 million have been awarded to support basic research in plant biology and human nutrition, Secretary Agriculture Bob Bergland said today. This brings to 181 the total number of competitive grants awarded during fiscal year 1980. Bergland said about 200 projects are expected to receive funding under the \$15.5 million program established by Congress to expand basic knowledge in plant science and human nutrition.

The U.S. Department of Agriculture's Science and Education Administration administers the grants.

Of the 47 grants announced today, 36 involve plant biology research and 11 involve human nutrition research, said Anson R. Bertrand, USDA director of science and education.

Scientists will use the plant biology grants to learn how some plants are able to utilize nitrogen in the atmosphere, how plants capture the sun's energy and convert it into food, and how plant genes interact.

Research into plant photosynthesis is being conducted by 21 grantees because there are many indications that productivity of crop plants may be improved by increasing their photosynthetic efficiency, said Bertrand.

With the aim of encouraging innovative or unique genetic approaches to the development of genetically superior crops, nine grants will fund research into genetic mechanisms for crop improvement.

Research in biological nitrogen fixation will be conducted by six of the grantees. Bertrand said research aimed at understanding nitrogen fixing mechanisms in both symbiotic and free living organisms is of high priority because nitrogen is the most common limiting nutrient for plant growth.

"The objective of the human nutrition grants is to support basic research to help fill gaps in knowledge about the body's nutrient requirements; how the body uses nutrients; how nutrients work



together; and the nutritional quality of foods consumed in the United States," Bertrand said.

A listing of the grants follows:

#### **FOR RESEARCH ON PHOTOSYNTHESIS**

- Agricultural Experiment Station, University of Nebraska, Lincoln, \$58,000.
- Carnegie Institution of Washington, Washington, D.C., \$72,000.
- Cornell University, Ithaca, N.Y., \$73,000.
- Harvard University, Cambridge, Mass., one grant for \$150,000 and one for \$60,000.
- Purdue University, West Lafayette, Ind., one grant for \$62,000 and one \$60,000.
- Rensselaer Polytechnic Institute, Troy, N.Y., \$58,000.
- Rutgers University, New Brunswick, N.J., \$55,000.
- Science and Education Administration, USDA, Oakland, Calif., \$70,000.
- University of Arizona, Tucson, \$70,000.
- University of California, Davis, \$68,000.
- University of Denver, Colo., \$72,000.
- University of Florida, Gainesville, \$70,000.
- University of Idaho, Moscow, \$50,000.
- University of Maryland, Catonsville, \$34,000.
- University of Minnesota, St. Paul, \$70,000.
- University of Missouri, Columbia, one grant for \$75,000 and one for \$62,000.
- U.S. Department of Energy, Oak Ridge, Tenn., \$76,000.
- Virginia Polytechnical Institute and State University, Blacksburg, \$62,000.
- Washington State University, Pullman, \$80,000.

#### **FOR RESEARCH ON GENETIC MECHANISMS FOR CROP IMPROVEMENT**

- Agricultural and Forestry Experiment Station, Mississippi State University, Starkville, \$60,000.



- Northwestern University, Evanston, Ill., \$40,000.
- Science and Education Administration, USDA, Oakland, Calif., one grant for \$60,000 and one for \$56,000.
- University of Georgia, Athens, \$80,000.
- University of South Florida, Tampa, \$50,000.
- University of Minnesota, St. Paul, \$100,000.

#### **FOR RESEARCH ON BIOLOGICAL NITROGEN FIXATION**

- C. F. Kettering Research Laboratory, Yellow Springs, Ohio, \$110,000.
- Michigan State University, East Lansing, \$50,000.
- Stanford University, Calif., \$125,000.
- University of Minnesota, St. Paul, one grant for \$85,000 and one for \$75,000.
- Virginia Polytechnical Institute and State University, Blacksburg, \$35,000.

#### **FOR RESEARCH ON HUMAN REQUIREMENTS FOR NUTRIENTS**

- George Washington University, Washington, D.C., \$78,000.
- Harvard University, Cambridge, Mass., \$140,000.
- John Hopkins University, Baltimore, Md., \$160,000.
- Massachusetts Institute of Technology, Cambridge, \$190,000.
- Oregon State University, Corvallis, \$125,000.
- Science and Education Administration, USDA, Peoria, Ill., \$80,000.
- Science and Education Administration, USDA, Beltsville, Md., \$80,000.
- St. Louis University, Mo., \$120,000.
- St. Luke's-Roosevelt Institute for Health Sciences, New York, N.Y., \$120,000.
- University of California, Davis, \$115,000.
- University of California, Los Angeles, \$190,000.

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# Press Releases

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## **USDA BANS INSTALLATION OF PCB-CONTAINING EQUIPMENT AFTER NOV. 13**

WASHINGTON, Oct. 16--Effective Nov. 13, federally-inspected meat, poultry and egg products plants may no longer install new or replacement equipment containing liquid polychlorinated biphenyl (PCB).

Assistant Secretary of Agriculture Carol Tucker Foreman said the action is one of several the U.S. Department of Agriculture is taking to lessen the possibility of the chemical entering the food supply.

"PCB is an industrial chemical which has been widely used since 1929 in electrical transformers and capacitors," Foreman said. "Its presence in food processing plants poses a threat both to the health of consumers and the economic well-being of the food industry.

"In a single industrial accident last summer, in which PCB leaked from a transformer into materials used for animal feeds, PCB residues in animals that ate the contaminated feed rendered millions of dollars worth of food unfit for consumption," she said.

"In taking this action we hope to help minimize the risk of such industrial accidents, to protect the public health and avoid catastrophic losses to meat, poultry and egg product producers," Foreman said.

The ban was proposed Feb. 29. Eighteen of 22 public comments on the proposal favored the ban. Several comments said USDA should, in addition to banning the installation of new and replacement PCB-containing equipment, require the removal of PCB equipment presently in federally-inspected plants, Foreman said.

"USDA proposed this additional action May 9," Foreman said, "making today's action the first in a two-part rulemaking. "First, to ban the entry of equipment containing PCB and second, to see removal of existing PCB-containing equipment."

A public meeting on the second proposal will be held Nov. 7 at 10 a.m. in room 218-A of USDA's Administration building, Washington, D.C. The deadline for public comments on the second proposal will be extended to Dec. 4.

Several comments on the first proposal suggested that USDA's proposal was too all-inclusive by equating large electrical transformers and capacitors containing gallons of PCB fluids with small capacitors and lighting ballasts which contain three pounds or less of PCB fluids, Foreman said.

"Because the health risk associated with these small units is extremely small, USDA's final regulation exempts small capacitors containing PCB in amounts less than three pounds," Foreman said.

USDA's Food Safety and Quality Service has responsibility, under federal meat, poultry and egg products inspection laws, to assure that these food products do not contain any adulterants.

The manufacture and distribution of PCB was banned after July 2, 1979, by the Environmental Protection Agency. However, the EPA rule allowed continued use of PCB in totally-enclosed systems such as capacitors and transformers, and this equipment is present in many food processing plants.

The new regulation was published in the Oct. 14 Federal Register, available at local libraries.

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